

This letter is in response to the Commission's request, dated July 16, 2008, in regards to the Committee's 2007 Amended Mid-Year Report.

1. The new debt listed on this report is what is owed to the Non Federal Account for excessive H3 transfers. The transfers were not intentionally excessive. The Committee recently discovered that an incorrect ratio had been used. The ratio has been corrected. The Committee does not have the Federal money necessary to transfer back this excessive portion and is instead making regular payments back to the Non Federal Account as Federal funds are available.
2. Although the transfers exceeded the allowed amount as stated above, the additional difference between the non federal portion of H4 transactions and the actual amount transfer was due to the fact that some of the H4 transactions that cooresponded to H3 transfers at the begining of the period were reported at the end of the previous period.
